

INTERNAL REVENUE SERVICE
NATIONAL OFFICE TECHNICAL ADVICE MEMORANDUM

June 28, 2010

Third Party Communication: None
Date of Communication: Not Applicable

Number: **201039024**
Release Date: 10/1/2010
Index (UIL) No.: 451.13-01
CASE-MIS No.: TAM-122006-10

Taxpayer's Name:
Taxpayer's Address:

Taxpayer's Identification No.:
Years Involved:
Date of Conference:

The conclusion reached in addressing the second issue in Technical Advice Memorandum 200725029 has been reconsidered and is now revoked. With respect to the second issue in the memorandum, the Service agreed with the taxpayer and concluded that the amounts at issue are advance payments within the meaning of section 4.01 of Rev. Proc. 2004-34, 2004-1 C.B. 991. However, the Service also concluded that, because the taxpayer's obligations with respect to the payments are satisfied as the payments are received, the amounts must be included in the year of receipt pursuant to the acceleration provision of section 5.02(5)(b) of Rev. Proc. 2004-34. After reconsideration, we now conclude that the acceleration provision does not apply under the facts of this case.

A copy of this technical advice memorandum is to be given to the taxpayer. Section 6110(k)(3) of the Internal Revenue Code provides that it may not be used or cited as precedent.